# Procurement Procedure Changes for Implementation of New Trade Agreements

**Department:** Procurement/ Payables

This memo was originally sent on January 30, 2018.

To: Financial Contacts, Department Heads and Directors, Chairs and Deans

***Please forward this email to all staff involved in the procurement process within your department, such as initiating procurement contracts, negotiating with suppliers, and authorizing procurement decisions.***

In 2017, two new Canadian trade agreements came into effect: the Canadian Free Trade Agreement [1] (CFTA) on July 1st and the Canada-European Union Comprehensive Economic Trade Agreement [2] (CETA) on September 21st.

As a publicly funded institution, the University is subject to the procurement obligations of both trade agreements. All University procurements must be compliant with the requirements outlined in the chapter of Government Procurement in each trade agreement. While most of our procurement processes are already compliant, there are additional requirements that require us to change our current procedures in order to become compliant.

As a result, we are making the following changes effective immediately:

1. The Non-Competitive Procurement Justification form replaces the Single Source/Sole Source Certification.

Under the new trade agreements, the University may only utilize non-competitive procurement in certain limited tendering provisions and non-application provisions listed in the trade agreements. Department procurement authorities are required to justify any non-competitive procurement using an appropriate Non-Competitive Procurement Provision.

We have set up a website of Non-Competitive Procurement Provisions [3] that lists all the scenarios available to the University. The Non-Competitive Procurement Justification form also contains the link to this website.

This Non-Competitive Procurement Justification form must be used to justify all future non-competitive procurements. The original Single Source/Sole Source form will only be accepted if it has been approved before the date of this notice.

2. The University must publish a notice of award for all contracts valued at $100,000 or more, including contracts awarded by non-competitive procurement such as single source or sole source.

The notice of award must be published on the University's competitive bidding sites within 72 days of the award and must include the supplier name and address, the value of the award, the date of the award, and the justification for the award. For contracts awarded via non-competitive process, the University must also post the justification for awarding the contract to the particular supplier.

It is highly recommended that, for procurements of $100,000 and over, department procurement authorities contact Purchasing Services prior to making procurement decisions utilizing a non-competitive process.

3. The University is required to track and report to the Ontario government on an annual basis the number and aggregate value of all procurement contracts valued at $100,000 or more. This reporting will start in 2018. The Ontario government is expected to issue the reporting guidelines soon.

4. A single platform for posting the open competitive bidding opportunities for all organizations covered by the trade agreements will be designated by the Ontario government in the near future. Once designated, all the University's open competitive procurement opportunities must be posted to this single platform.

5. Under the new trade agreements, the minimum posting period for open competitive procurement opportunities has been increased drastically from the original 15 calendar days to 40 calendar days. However, since we use electronic posting and electronic submissions, the University is only required to post open competitive procurement opportunities for a minimum of 25 calendar days. Please plan your procurement projects accordingly.

As we continue to implement the procurement requirements outlined in the new trade agreements, it is anticipated that there will be further changes to our procurement procedures. We will communicate with all affected areas about those changes as soon as the detailed changes are finalized.

If you have any questions regarding these changes, please contact me directly.

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**Source URL:**https://www.uoguelph.ca/finance/procurement-procedure-changes-implementation-new-trade-agreements

**Links**
[1] https://www.cfta-alec.ca/ [2] http://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/ceta-aecg/index.aspx?lang=enghttp://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/ceta-aecg/index.aspx?lang=eng [3] https://www.uoguelph.ca/finance/non-competitive-procurement-provisions [4] mailto:lisali@uoguelph.ca